

To: Distefano, Nichole[DiStefano.Nichole@epa.gov]
Cc: Dunbar, Bill[dunbar.bill@epa.gov]; Murchie, Peter[Murchie.Peter@epa.gov]; Holsman, Marianne[Holsman.Marianne@epa.gov]; Schuster, Cindy[Schuster.Cindy@epa.gov]; Borum, Denis[Borum.Denis@epa.gov]; Pirzadeh, Michelle[Pirzadeh.Michelle@epa.gov]
From: McLerran, Dennis
Sent: Tue 4/19/2016 2:34:27 AM
Subject: Re: Puget Sound Program response to OIG Report from June 2014

Nichole:

The audit was a review of the entire Puget Sound NEP program as it's been explained to me. When we came in as a new Administration there had been an audit that was quite critical of the Puget Sound Partnership's financial controls. They were a new organization and did not set up the capacity initially for solid financial accounting and oversight. The Partnership's Executive Director was David Dicks (Norm's son) and they were very lean and understaffed at the onset. They also were criticized for buying chachki's like vests and keychains. The second audit, which is the one we are talking about here, found greatly improved practices and was generally viewed as a very improved and favorable review. I believe the critics are cherry picking a few items here that we followed up on with training and such as noted in the piece sent on by Bill. To my recollection they were not specific to the Fish Commission or the Swinomish but directed at how to keep improving oversight of the overall NEP program as we generally award most of the NEP funds to state agencies and consortiums and don't retail the grants directly. That means there are a lot of sub-awards that the audit indicated needed tracking to insure that environmental objectives are being achieved.

Dennis

Sent from my EPA iPhone

On Apr 18, 2016, at 7:18 PM, Distefano, Nichole <DiStefano.Nichole@epa.gov> wrote:

Thanks Bill. I think we need to know what the scope of the audit was focused on. You mentioned it not being an even comparison. Can you give that some context.

Sent from my iPhone

On Apr 18, 2016, at 8:22 PM, Dunbar, Bill <dunbar.bill@epa.gov> wrote:

See attached

<Puget Sound Program response to OIG Report from June 2014.docx>